

## CHECKLIST ENVIRONMENTAL ASSESSMENT

<b>Project Name:</b>	Land Banking – Logan Section 34
<b>Proposed Implementation Date:</b>	July, 2008
<b>Proponent:</b>	Bozeman Unit, DNRC
<b>Location:</b>	NE ¼ Section 34 T2N R2E
<b>County:</b>	Gallatin
<b>Trust:</b>	School of Mines

### I. TYPE AND PURPOSE OF ACTION

Offer for Sale at Public Auction, approximately 35 acres of state land currently held in trust for the benefit of the School of Mines. Revenue from the sale would be deposited in a special account used to purchase replacement lands meeting acquisition criteria related to legal access, productivity, potential income and proximity to existing state ownership which would then be held in trust for the benefit of the School of Mines. The proposed sale is part of a program called Land Banking authorized by the 2003 Legislature. The purpose of the program is for the Department of Natural Resources and Conservation to overall, diversify uses of land holdings of the various trusts, improve the sustained rate of return to the trusts, improve access to state trust land and consolidate ownership.

### II. PROJECT DEVELOPMENT

#### 1. PUBLIC INVOLVEMENT, AGENCIES, GROUPS OR INDIVIDUALS CONTACTED:

*Provide a brief chronology of the scoping and ongoing involvement for this project.*

Contacted Grazing lessee Oak Crest Properties, LLC Registered Agent Peter Heidmann, lease # 4859, April 17, 2008 by phone and described the process for Land Banking a parcel. Mr. Heidmann had previously contacted me regarding exchanging or purchasing this parcel. He currently doesn't have ownership of a parcel for exchange, but would be an interested bidder if we were to sell it under the Land Banking Program.

A legal notice was placed in the Bozeman Daily Chronicle on May 4, 2008 requesting comments be submitted on the proposal by May 23, 2008.

A letter, requesting comments be submitted by May 23, 2008 was sent to interested parties on May 1, 2008, including adjacent landowners (listed on the Land Ownership data base of the Natural Resources Information System administered by the Montana State Library), the Gallatin County Commissioners, the Montana Department of Fish Wildlife and Parks and members of the Negotiated Rulemaking Committee who participated in writing the Administrative Rules for the Land Banking Program. A complete list of the individuals contacted is included in Attachment B of this EA.

No comments were received on this proposal.

#### 2. OTHER GOVERNMENTAL AGENCIES WITH JURISDICTION, LIST OF PERMITS NEEDED:

None

#### 3. ALTERNATIVES CONSIDERED:

**Proposed Alternative1:** Offer approximately 35 acres of State Land for sale at Public Auction and subject to Statutes addressing the Sale of State Land found in Title 77, Chapter 2, Part 3 of the Montana Codes Annotated. Proceeds from the sale would be deposited in the Land Bank Fund to be used in conjunction with

proceeds from other sales for the purchase of other state land, easements, or improvements for the beneficiaries of the respective trusts, in this case the State Normal School.

**Proposed Alternative 2:** Exchange this section for another parcel of equal or greater value with access and the capacity to better generate funds for the Trust as described in our exchange policy. This alternative is not being analyzed at this time since there isn't a proposed parcel to evaluate in exchange. The current lessee has requested information on the process for an exchange to be analyzed.

**No Action Alternative:** Defer inclusion of this tract in the Land Banking Program, maintain state ownership of this tract at this time and continue to lease as a grazing lease.

### III. IMPACTS ON THE PHYSICAL ENVIRONMENT

- *RESOURCES potentially impacted are listed on the form, followed by common issues that would be considered.*
- *Explain POTENTIAL IMPACTS AND MITIGATIONS following each resource heading.*
- *Enter "NONE" if no impacts are identified or the resource is not present.*

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#### 4. GEOLOGY AND SOIL QUALITY, STABILITY AND MOISTURE:

*Consider the presence of fragile, compactable or unstable soils. Identify unusual geologic features. Specify any special reclamation considerations. Identify any cumulative impacts to soils.*

Soils are of a fine sandy quality, where there have been disturbances erosion has occurred from both wind and water. No impact on the soils is expected as part of this sale.

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#### 5. WATER QUALITY, QUANTITY AND DISTRIBUTION:

*Identify important surface or groundwater resources. Consider the potential for violation of ambient water quality standards, drinking water maximum contaminant levels, or degradation of water quality. Identify cumulative effects to water resources.*

There is no surface water on the parcel. No direct or cumulative impacts to water quality are anticipated as a result of the proposal.

It should be noted that many wells in the area have naturally occurring high levels of Arsenic.

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#### 6. AIR QUALITY:

*What pollutants or particulate would be produced? Identify air quality regulations or zones (e.g. Class I air shed) the project would influence. Identify cumulative effects to air quality.*

Air quality is currently good. Impacts to air quality may result from a variety of activities including road use, agricultural burning, wildfires, industrial development, vehicle emissions or heating system emissions among others. No additional impacts to air quality are expected as a result of this sale.

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#### 7. VEGETATION COVER, QUANTITY AND QUALITY:

*What changes would the action cause to vegetative communities? Consider rare plants or cover types that would be affected. Identify cumulative effects to vegetation.*

This vegetation on this parcel has not been very productive, due to the quality of the soil lack of water and over grazing. It is also bounded by I-90 on the South and the railroad on the North both of which have contributed to a infestation of knap weed. The sale of the land should have no additional impacts.

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**8. TERRESTRIAL, AVIAN AND AQUATIC LIFE AND HABITATS:**

*Consider substantial habitat values and use of the area by wildlife, birds or fish. Identify cumulative effects to fish and wildlife.*

The area is inhabited by a variety of wildlife species including mule deer, whitetail deer, fox, coyotes, antelope, and numerous non-game birds use the tract during various times of the year. No additional impacts are expected as a result of this land sale.

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**9. UNIQUE, ENDANGERED, FRAGILE OR LIMITED ENVIRONMENTAL RESOURCES:**

*Consider any federally listed threatened or endangered species or habitat identified in the project area. Determine effects to wetlands. Consider Sensitive Species or Species of special concern. Identify cumulative effects to these species and their habitat.*

The Natural Heritage Program mapped the occurrence of Mealy Primrose in that vicinity and classifies it as "at risk because of very limited and/or declining numbers, range and/or habitat, making it vulnerable to global extinction or extirpation in the state."

The Ferruginous Hawk is as a "Species of Concern" in this area.

This sale should have no impacts on Mealy Primrose or the Ferruginous Hawk.

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**10. HISTORICAL AND ARCHAEOLOGICAL SITES:**

*Identify and determine effects to historical, archaeological or paleontological resources.*

The presence or absence of antiquities is presently unknown. A class III level inventory and subsequent evaluation of cultural and paleontologic resources will be carried out if preliminary approval of the parcel nomination by the Board of Commissioners is received. Based on the results of the Class III inventory/evaluation the DNRC will, in consultation with the Montana State Historic Preservation Officer, assess direct and cumulative impacts.

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**11. AESTHETICS:**

*Determine if the project is located on a prominent topographic feature, or may be visible from populated or scenic areas. What level of noise, light or visual change would be produced? Identify cumulative effects to aesthetics.*

Sale of the land should have no impact on aesthetics.

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**12. DEMANDS ON ENVIRONMENTAL RESOURCES OF LAND, WATER, AIR OR ENERGY:**

*Determine the amount of limited resources the project would require. Identify other activities nearby that the project would affect. Identify cumulative effects to environmental resources.*

This tract totaling about 35 acres is part of the School of Mines Trust of which there are 59,440 acres within the state. This tract along with an 8 acre tract near Bozeman, are the only tracts in Gallatin County under consideration for sale under the Land Banking Program. The statutes limit the sale of trust land to a maximum of 20,000 acres prior to purchasing replacement lands. The potential sale of this tract would affect an extremely small percentage of the School of Mines trust land if replacement land was not purchased before the statute expires and even less impact if replacement land is purchased as anticipated.

The potential transfer of ownership would not have any impact or demands on environmental resources of Land water, air or Energy.

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**13. OTHER ENVIRONMENTAL DOCUMENTS PERTINENT TO THE AREA:**

*List other studies, plans or projects on this tract. Determine cumulative impacts likely to occur as a result of current private, state or federal actions in the analysis area, and from future proposed state actions in the analysis area that are under MEPA review (scoped) or permitting review by any state agency.*

None

#### IV. IMPACTS ON THE HUMAN POPULATION

- *RESOURCES potentially impacted are listed on the form, followed by common issues that would be considered.*
- *Explain POTENTIAL IMPACTS AND MITIGATIONS following each resource heading.*
- *Enter "NONE" if no impacts are identified or the resource is not present.*

##### 14. HUMAN HEALTH AND SAFETY:

*Identify any health and safety risks posed by the project.*

No impacts to human health and safety would occur as a result of the sale

##### 15. INDUSTRIAL, COMMERCIAL AND AGRICULTURE ACTIVITIES AND PRODUCTION:

*Identify how the project would add to or alter these activities.*

The land is currently leased for Grazing purposes by Oak Crest Properties, LLC of Belgrade, MT. The registered agent of Oak Crest Properties, LLC is Peter Heinmann, owner of Montana Equine Associates, a veterinary clinic on the western boarder of the property. On the eastern border is a new Tank Farm being developed by the Cenex Corp., listed in the State of Montana cadastral mapping as CHS Inc., Mail to property Department, Saint Paul, MN 55164-0089.

Either of these property owners would have access to this property and could use it to expand their operations.

##### 16. QUANTITY AND DISTRIBUTION OF EMPLOYMENT:

*Estimate the number of jobs the project would create, move or eliminate. Identify cumulative effects to the employment market.*

The sale would have no affect on quantity and distribution of employment

##### 17. LOCAL AND STATE TAX BASE AND TAX REVENUES:

*Estimate tax revenue the project would create or eliminate. Identify cumulative effects to taxes and revenue.*

Currently the tract is not assessed taxes. If the property were to be sold and purchased by a private land owner, it is estimated Gallatin County would receive approximately \$800.00 per year in assessments.

##### 18. DEMAND FOR GOVERNMENT SERVICES:

*Estimate increases in traffic and changes to traffic patterns. What changes would be needed to fire protection, police, schools, etc.? Identify cumulative effects of this and other projects on government services*

The land sale would have no impact on government services.

##### 19. LOCALLY ADOPTED ENVIRONMENTAL PLANS AND GOALS:

*List State, County, City, USFS, BLM, Tribal, and other zoning or management plans, and identify how they would affect this project.*

This tract is not Zoned.

##### 20. ACCESS TO AND QUALITY OF RECREATIONAL AND WILDERNESS ACTIVITIES:

*Identify any wilderness or recreational areas nearby or access routes through this tract. Determine the effects of the project on recreational potential within the tract. Identify cumulative effects to recreational and wilderness activities.*

This sale will have no effect on recreational activities.

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**21. DENSITY AND DISTRIBUTION OF POPULATION AND HOUSING:**

*Estimate population changes and additional housing the project would require. Identify cumulative effects to population and housing.*

This sale would have no effect on population or housing.

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**22. SOCIAL STRUCTURES AND MORES:**

*Identify potential disruption of native or traditional lifestyles or communities.*

No disruption or affect on communities should be expected.

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**23. CULTURAL UNIQUENESS AND DIVERSITY:**

*How would the action affect any unique quality of the area?*

This sale would not affect the unique quality of the area.

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**24. OTHER APPROPRIATE SOCIAL AND ECONOMIC CIRCUMSTANCES:**

*Estimate the return to the trust. Include appropriate economic analysis. Identify potential future uses for the analysis area other than existing management. Identify cumulative economic and social effects likely to occur as a result of the proposed action.*

Currently this parcel is leased for grazing at \$9.37 per AUM. There are 8 AUM on 34.42 acres, or about 0.23 AUM per acre, providing \$2.18 per acre per year, or \$74.96 per year on the 34.42 acres considered for sale. The property could be expected to appraise for between \$2,000.00 and \$7,000.00 per acre.

An appraisal of the property value has not been completed to date. Under DNRC rules, the appraisal would be conducted after preliminary approval to proceed is granted by the Board of Land Commissioners and the Department is conducting more detailed evaluations in order to make a final determination on whether to offer the tract for sale. However, at this time, given the real estate market in the Paradise Valley, we believe the value of this tract is above the average value of trust lands in the state. The revenue generated from the sale of this tract is intended to be combined with other revenue in the Land Banking Account to purchase replacement property for the benefit of the Trust. It is anticipated the replacement property would have legal access and be adjacent to other trust lands which would provide greater management opportunities and income. If replacement property was not purchased prior to the expiration of the statute, the revenue would be deposited into the permanent trust for investment

<b>EA Checklist Prepared By:</b>	<b>Name:</b> Craig Campbell	<b>Date:</b> 3/17/06
	<b>Title:</b> Bozeman Unit Manager	

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**V. FINDING**

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**25. ALTERNATIVE SELECTED:**

I have selected the Proposed Alternative 1, recommend the tract receive preliminary approval for sale and continue with the Land Banking process.

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**26. SIGNIFICANCE OF POTENTIAL IMPACTS:**

I have evaluated the comments received and potential environment affects and have determined significant environmental effects would not result from the proposed land sale. This parcel does not have any unique characteristics, critical habitat or environmental conditions indicating the tract should necessarily remain under management by the Department of Natural Resources and Conservation. This small parcel produces an annual income of only approximately \$75.00 per year, has no useable legal access and does not provide other benefits for the Trust or public.

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**27. NEED FOR FURTHER ENVIRONMENTAL ANALYSIS:**☐

EIS

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More Detailed EA

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No Further Analysis

<b>EA Checklist Approved By:</b>	<b>Name:</b> Garry Williams
	<b>Title:</b> CLO Area Manager
<b>Signature:</b> /S/ Garry Williams <b>Date:</b> 6/24/2008	

